

# MORETELE LOCAL MUNICIPALITY



## OFFICE OF THE MUNICIPAL MANAGER

*Address all Correspondence to the Municipal Manager*

## QUALITY CERTIFICATE

I Theetsi Solomon Roger Nkhumise, Municipal Manager of Moretele Local Municipality hereby certify that the Draft budget for 2015/2016 and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Draft budget and supporting documents are consistent with the Draft Integrated Development Plan of the municipal.

PRINT NAME THEETSI SOLOMON ROGER NKHUMISE

Municipal Manager of : MORETELE LOCAL MUNICIPALITY NW371

Signature 

Date 25 MARCH 2015

**MAYOR'S REPORT-  
1205-03-2015**

**Draft Medium Term Revenue and Expenditure Framework (MTREF) budget for 2015/16,  
2016/17 to 2017/18 Financial Years.**

**Report of the Executive Mayor**

**Reporting Flow:**

**Audit Committee**

**Budget Steercom**

**Executive Committee**

**Council**

**1. Purpose**

The purpose of the report is to request approval from EXCO and Council to consider the Draft budget for 2015/2016 to 2017/18 Medium Term Revenue and Expenditure Framework (MTREF), as well as budget related policies and tariffs.

**2. Background**

In term of Section 16 of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the council of the municipality must for each year approve an annual budget for the municipality before the start of the financial year.

Sub section (2) states that the municipal council must at least 90 days before the start of the budget year consider approval of the annual budget.

**3. Discussions**

Detail budget report is attached with all budget related documents, that includes National Treasury Schedules, Quality Certificate, Tariffs and Budget related policies.

#### **4. Budget Resolutions**

- 4.1 That EXCO and Council note the report
- 4.2 That EXCO and Council approve the Draft Budget 2015/16 to 2017/18 financial years for public comments as attached as Annexure A.
- 4.3 That EXCO and Council approve draft tariffs for 2015/16 financial year , attached as Annexure B, be approved for public comments
- 4.4 That EXCO and Council approve the following Draft budget related policies, attached as Annexure C, which includes the following :
  - 4.1 Draft Credit control and Debt Collection policy, - C1
  - 4.2 Draft Indigent and Free basic Policy -C.2
  - 4.3 Draft reviewed Rates Policy, -C3
- 4.5 Quality Certificate that support the draft budget of 2014/15 financial, Annexure D

#### **EXCO RECOMMENDATIONS**

- 1. As recommended
- 2. That Council to approve 2015/16 draft budget with attached policies and tariffs
- 3. That 2015/16 draft budget be aligned with 2015/16 Draft IDP

#### **COUNCIL RESOLUTION**

- 1. 2015/16 Draft Budget approved by Council with attached policies and tariffs
  - 2. 2015/16 draft budget be aligned with 2015/16 draft IDP
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## **DRAFT BUDGET 2015/16-2017/18**

## **DRAFT ANNUAL BUDGET FOR 2015/16 TO 2017/18 MEDIUM TERM EXPENDITURE FRAMEWORK**

### **1. LEGISLATIVE COMPLIANCE**

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In compliance with section 22(b)(i) of the MFMA, the draft annual budget should be tabled on or before 31 March 2015.

#### **1.2 Budget summary**

Municipality applied the guideline provided by National Treasury on Circular 74. It has considered cost cutting measures to ensure that service delivery and payments of services will be improved by this budget. Consideration has been made to ensure that non-essential expenditure is avoided. Given the precarious cash flow position of the municipality and low growth on municipal revenues there was the urgent need to prioritize projects and expenditure within the realistically anticipated resources.

#### **1.3 Consultation on draft budget preparation**

Budget Lekgotla was also held on 5-6<sup>th</sup> of February 2015 at the Belabela Lodge to provide an opportunity to EXCO and Management to provide inputs on the mid-term review of 2014/15 tabled budget, address draft budget inputs and 2015/16 medium term expenditure framework preparations. The Lekgotla took drastic resolutions which also inform this draft budget.

#### **1.4 Overview of the budget process, the alignment of the annual budget with the IDP.**

It must be noted that the integrated development plan has been reviewed and this process has allowed the municipality to re-examine its plans and strategies that inform the institutional, financial, infrastructure planning as well as local economic development through the entire budget process.

A ward based approach has been adopted to ensure that these limited resources are spread amongst the municipality. Most projects are multiyear projects, and this has

assisted municipality to fast track spending in previous financial year and even the current year.

### **1.5 Key factors which influenced the budget are as follows:**

National Treasury MFMA Circulars 74 and 75 was used to guide the compilation of the municipality's budget and medium term revenue and expenditure frame work (MTREF) for the 2015/2016 financial year. The budget had to demonstrates cost containment

The Division of Revenue bill which contains the grants and subsidies from National Treasury is the only gazette included in this draft annual budget.

There is a need to fill critical positions in the organogram to reduce reliance on consultants. The council adopted the lekgotla resolutions, which had outline key priority list of positions that has to be budgeted in 2015/16 budget.

Increases in tariff and property rates should be affordable in comparison with the inflation rate but the increases are to be cost-reflective in cases where the increases in input costs are beyond the control of the municipality, for example, the cost of bulk water.

### **1.6 Budget Assumptions**

- Salary budget is projected on an increase of 5.6% for municipal staff and councillors for the 2015/16 financial year, (average CPI of 5.6%).
- Bulk purchases provided on increase of as per City Of Tshwane's increases.
- Increases on revenue income is between 0% to 6%.
- Eskom cost on consumption and free basic is projected on 12.2%

### **1.7 Provincial Treasury Comments on MID-TERM Performance.**

Provincial Treasury inputs on mid-term performance of 2014/15 financial year was considered, especially on cost containment measures on overtime and travelling and subsistence. Internal control measures will be improved such as attendance registers to support claims not issuing only invitations.

Reduce use of consultants by implementing 60% work done in-house and outsourcing 40% to ensure skill transfer.

## 2. Operational and Capital Revenue

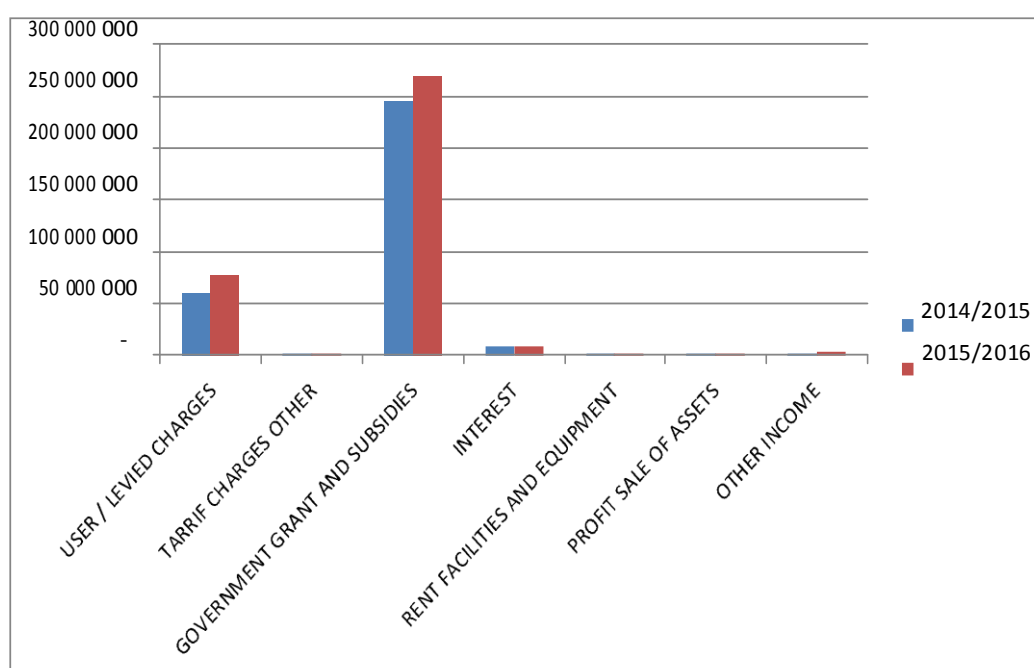
Moretele municipality is still dependent on grants as a major contributor of revenue. The Gazetted Revenue Bill has confirmed the following transfers to the municipality: The operating revenue grants are R269 million for 2015/16 funded by transfers from National Departments. The Provincial Bill was not yet issued for municipality to know its allocation for 2015/16. The following paragraphs summarized the projected revenue to be received in 2015/16 financial years:

### 2.1 Grants and Subsidies- Operational Transfer

#### TOTAL OPERATING INCOME GENERATED 2015/2016

DESCRIPTION	2014/2015	2015/2016
USER / LEVIED CHARGES	60 232 763	76 803 129
TARRIF CHARGES OTHER	2 680	2 830
GOVERNMENT GRANT AND SUBSIDIES	245 011 591	269 112 750
INTEREST	8 741 129	9 230 632
RENT FACILITIES AND EQUIPMENT	95 000	100 320
PROFIT SALE OF ASSETS	157 650	166 478
OTHER INCOME	513 060	3 604 191

<b>TOTAL OPERATING INCOME GENERATED</b>	<b>314 753 872.33</b>	<b>359 020 331.53</b>
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### ■ **Equitable Share**

In terms of the Division of Revenue Bill the Equitable Share increases from R209, 5-million in 2014/2015 to R260,9-million for the 2015/2016 financial year and is projected to increase to R269,2-million in the 2017/2018 financial year.

### ■ **Finance Management Grant ( FMG)**

FMG has increased from R1, 6 million in 2014/15 financial year to R1,675 million, and will be increased to R1,810 million in 2016/17 and R2,145 million in 2017/18. This grant is meant to provide capacity in Budget and Treasury Office by appointing five Interns and other programmes such as addressing audit findings, training and capacity development.

### ■ **Municipal System Improvement Grant ( MSIG)**

MSIG has decreased from R934m in 2014/15 financial year to R930 million, and to be increased to R957 m in 2016/17 and R1,033 million in 2017/18. This decrease was highlighted in Circular 74 of MFMA that some conditional grants will be decreased in 2015/16 financial year.

## **2.2 Grants and Subsidies- Capital Transfers**

Total grants for 2015/16 is R 110, 815 million inclusive of all listed below grants:

### ● **Municipal Infrastructure Grant**

Capital transfers increase from R98-million to R102 million and projected to increase to R67,7-million in the 2017/2018 financial year.

### ● **Expanded Public Works Programme**

R3, 353 million is allocated for EPWP, which has increased from R2,546 million for labour intensive projects.

## ● Department of Water Affairs

DWA allocation has increased from R10 million in 2014/15 to R10,178 in 2015/16.

## ● Integrated National Electrification Programme Grant

The Bill reflects an amount R7 million in 2016/17 and R10m for 2017/18 and the Municipality is not a licenced area, so allocation is not accommodated in the budget until clarity is sorted from Treasury.

### 2.3 Trading services - Water and Refuse

It should be noted that property tax is not levied to cover the cost of water, or refuse removal services, but property rates is a tax to provide the municipality with the necessary sources of revenue to fulfil its developmental responsibilities. Local government as a sphere of government is dependent on tax as a form of main revenue which fund services such as community facilities and traffic control, fire services, town planning matters and development, cemeteries and roads etc.

As highlighted in Back to Basic Approach that “The viability of certain municipalities is a key concern. The low rate of collection of revenue continues to undermine the ability of municipalities to deliver services to communities. The collection for Moretele Municipality is still below 20%. The following projections are listed below:

#### ■ Rates

Property Rates increased from R21 million to R35 million or by 67 per cent, the increase is attributed to the CPI, the municipality is required to indicate whether they have updated the valuation roll in order to gauge the development in the area.

#### ■ Water and Refuse

Water and Refuse removal anticipated revenue on services charges from water has been increased from 29,068 to 41,778 million with increase of 30% when compared with 2014/15 budget year. Cash collection rate on these services is still below 10%, but provision is made for debt impairment. The proposed strategy is to apply a flat rate on areas which do not have water within Moretele.

Metering will be read only on areas that have water supply, even if it is not seven days per week.

The municipality will have a revenue summit that will take place on the 7<sup>th</sup> April 2015 to come up with strategies to improve revenue collection in order to ensure that they deliver services in a more efficient manner.

## **2.4 Rental of facilities**

Rental of halls, municipal building such as office at MPCC is projected at R79 thousand, increased from R75 thousand in 2014/15 financial year. Service level agreement with SASA is about to be finalized for pension payouts.

## **2.5 Interest on Investments**

The projected interest on investment has been projected to grow from R8.7 million to R9.2 Million in 2015/16 financial year. The projected growth is based on cash flow management that will be put in place to ensure that funds readily needed are preserved in interest accrued accounts. R3.9 million is interest on investments and R5.3 is interest on outstanding debt.

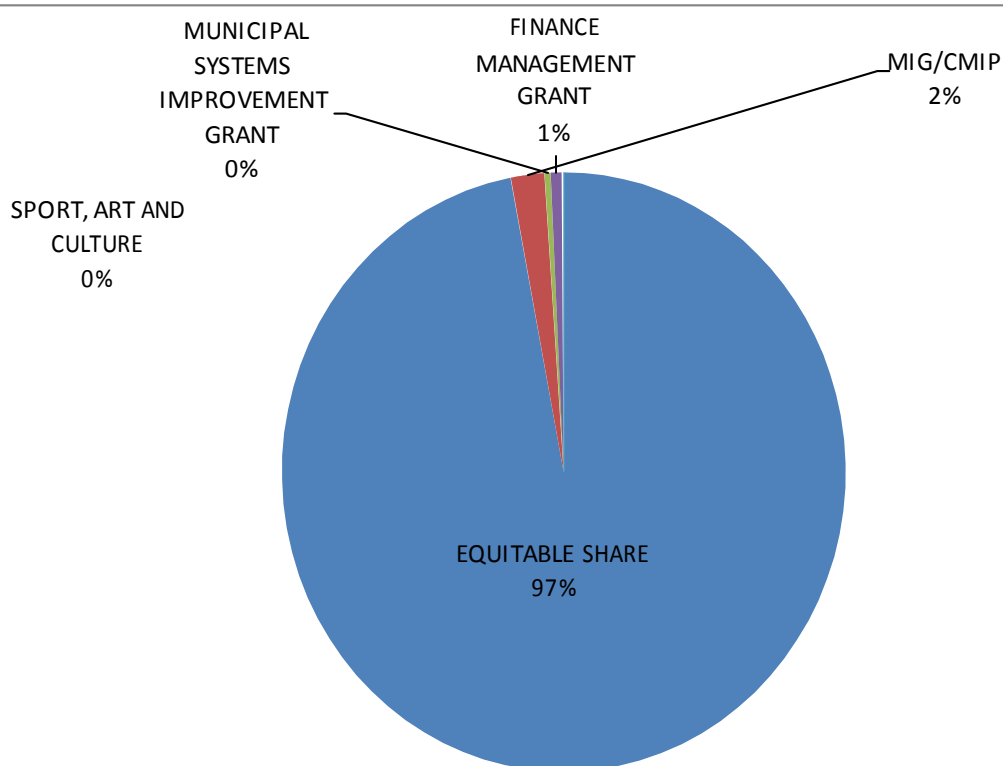
## **2.6 Other Revenue**

### **■ Tender documents and data base registrations**

The projected revenue for other revenue is projected to be R475 thousand, with a projected increase of 5.6%.

## DRAFT BUDGET 2015/2016 GRANTS

DESCRIPTION	DRAFT BUDGET 2015/2016
EQUITABLE SHARE	260 987 000.00
MIG/CMIP	5 170 750.00
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	930 000.00
FINANCE MANAGEMENT GRANT	1 675 000.00
SPORT, ART AND CULTURE	350 000.00



**DRAFT BUDGET 2015/2016**

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description		Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand		1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>											
Property rates	2		2,459	3,807	19,247	21,233	31,152	-	35,011	37,252	39,636
Property rates - penalties & collection charges											
Service charges - electricity revenue	2		-	-	-	-	-	-	-	-	-
Service charges - water revenue	2		18,386	16,106	15,774	18,781	18,781	-	25,118	26,725	28,436
Service charges - sanitation revenue	2		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2		-	3,075	9,188	10,287	10,287	-	16,661	17,727	18,862
Service charges - other							-				
Rental of facilities and equipment			22	102	71	95	95		100	100	114
Interest earned - external investments			714	1,901	2,083	3,704	3,704		3,911	3,911	4,428
Interest earned - outstanding debtors			8,426	3,404	4,547	5,038	5,038		5,320	5,320	6,022
Dividends received							-				
Fines							-				
Licences and permits							-				
Agency services							-				
Transfers recognised - operational			137,224	153,616	177,267	225,060	231,916		269,113	286,336	304,661
Other revenue	2		587	2,430	1,669	12,230	686	-	3,787	4,030	4,287
Gains on disposal of PPE											
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>167,818</b>	<b>184,439</b>	<b>229,847</b>	<b>296,428</b>	<b>301,659</b>	<b>-</b>	<b>359,020</b>	<b>381,400</b>	<b>406,445</b>
<b>Expenditure By Type</b>											
Employee related costs	2		39,709	49,418	56,624	73,931	68,646	-	85,002	90,442	96,230
Remuneration of councillors			13,837	14,784	16,635	17,831	17,649		18,188	19,352	20,591
Debt impairment	3		36,036	12,689	14,656	8,387	8,387		39,520	42,050	44,741
Depreciation & asset impairment	2		18,049	4,922	85,732	5,870	5,870	-	8,199	8,723	9,282
Finance charges			403	93	10	120	120		170	170	192
Bulk purchases	2		45,860	42,513	29,503	47,295	47,295	-	47,295	50,322	53,542
Other materials	8		5,903	10,518	8,169	17,905	18,856		18,245	19,413	20,656
Contracted services			5,728	14,333	14,414	28,680	37,557	-	43,888	46,697	49,686
Transfers and grants			-	-	-	13,794	13,794	-	12,461	12,461	14,107
Other expenditure	4, 5		54,178	77,400	90,751	68,387	67,199	-	61,591	65,543	69,727
Loss on disposal of PPE											
<b>Total Expenditure</b>			<b>219,703</b>	<b>226,671</b>	<b>316,494</b>	<b>282,199</b>	<b>285,374</b>	<b>-</b>	<b>334,560</b>	<b>355,174</b>	<b>378,754</b>
<b>Surplus/(Deficit)</b>											
Transfers recognised - capital			72,896	138,952	121,079	107,110	157,089		110,815	106,608	112,908
Contributions recognised - capital	6		-	-	-	-	-	-	-	-	-
Contributed assets											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>21,011</b>	<b>96,721</b>	<b>34,431</b>	<b>121,339</b>	<b>173,375</b>	<b>-</b>	<b>135,275</b>	<b>132,834</b>	<b>140,600</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>			<b>21,011</b>	<b>96,721</b>	<b>34,431</b>	<b>121,339</b>	<b>173,375</b>	<b>-</b>	<b>135,275</b>	<b>132,834</b>	<b>140,600</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>			<b>21,011</b>	<b>96,721</b>	<b>34,431</b>	<b>121,339</b>	<b>173,375</b>	<b>-</b>	<b>135,275</b>	<b>132,834</b>	<b>140,600</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>			<b>21,011</b>	<b>96,721</b>	<b>34,431</b>	<b>121,339</b>	<b>173,375</b>	<b>-</b>	<b>135,275</b>	<b>132,834</b>	<b>140,600</b>

### **3. Operating expenditure**

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According to Back to Basic Approach, Municipalities must be well governed and demonstrate good governance and administration - cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability. The budget of 2015/16 has priority activities that will address good governance and improve stakeholder consultations. The budget will also focus on capacitating the existing staff to meet required minimum competencies as required by Treasury Regulations.

#### **3.1 Salaries and allowances**

No new budget posts were proposed in the organizational structure, the increase in the budget, is for posts which were frozen in previous financial year. This includes staff in SCM Unit in BTO, the occurrence of irregular expenditure demonstrates that understaffing in that unit undermines the internal control required to ensure that compliance is always adhered to.

The budget for salaries and allowances has grown to R85,002 million with 13%. The budget was R73,931 million in 2014/15 financial year. Most of priorities posts were budgeted for 6 to 8 months in 2015/16, and now the posts are filled and will need to be budgeted for full year. The cost of living increase has been projected at 5,6 % as per guidelines provided in Circular 74 of MFMA from National Treasury.

#### **3.2 Bulk Purchases**

The budget for bulk purchases remains unchanged; this is influenced by the fact that supply in 2014/15 dropped. The budget is still projected at R47 million. In terms of outstanding amount, the municipality has a balance of R25 million to settle the current debt. The debt will be settled in 2015/16 with anticipated surplus monies at the end of June 2015.

### **3.3 Repairs and Maintenance**

New imaginative ways must be explored to encourage more efficient use of resources and to generate the required funding for the maintenance, renewal and expansion of infrastructure to ensure effective service delivery. The budget is 5% of the total operating budget. This will include, maintenance of high mast lights, an amount of water infrastructure and Roads and to the tune R 18,188 million. The guiding norm is 8% of the total operating budget.

### **3.4 Free basic services**

Budget provision has been set aside to assist communities on the following social packages and is included in the budget for indigent households:

- 10 kl free basic water services at a cost of R 6,2-million
- 50KW h free basic services for electricity at a cost of R 4,9-million
- Free basic service on refuse removal services at R11,0-million
- Rebates on property tax at R 500 thousand

### **3.4 Contracted services and Consulting services**

- Water supply in Moretele is still a challenge, this forces the municipality to augment water supply by using water tankering in areas where there is no reticulation or boreholes. Currently municipality spent R1,1 million per month on cost of transporting the water. The total costs for 2015/16 is projected at the value of R22 million. The Department of DWA is funding the refurbishment on boreholes as a medium solution, and two 6ML of reservoir's are under construction to add on storage, the project will be completed in the April 2015 and July 2015 respectively. R1,5 million has been set aside to deal with water demand and losses, service provider is appointed to fix all the leakages and replace the meters.
- The cleansing services will increase from R13,3 million to R15 million, which will result in an increase of R1,7 million for waste management services has been budgeted, the service was ineffective, which resulted in terminating the contract. Mechanisms to run the service in house proved to be unsuccessful.

- Security services has grown from R10,2 million to R12 million ,the growth is guided by PSRIRA rates

### **Consulting Services**

- Mechanisms of reducing reliance on consultants are in place, R1m has been budgeted for VAT review for previous financial years. Municipality is performing in-house VAT return submission, the service provider will only work on the past years declarations.
- Asset and financial statement compilation has a budget of R3,8m, the reason for external assistance is to deal with legacy issue, which were problematic during the 2013/14 audit and had effect on the audit outcome. The skill transfer programme is in place to ensure that reliance on consultant is mitigated.
- HR and Corporates Services has a budget of R 5.8 million for the IT and HR sub units for effective IT systems

## **3.5 General Expenditure**

Special attention was be given not only to manage existing revenue and cash streams effectively but also to broaden the municipal revenue base to support the operating and capital needs of the municipality. Given the current constraints some very tough decisions in the course of considering the 2011/2012 budgets and Medium Term Revenue and Expenditure Framework (MTREF) were taken It is important that the financial position of the municipality remains sustainable over the medium term facing the current constraints and therefore, special attention has been given to eliminating all unnecessary spending on nice-to-have items and non-essential activities.

### **3.5.1 Local Economic Development/Job Creation Programmes and Community Bursary Fund**

Priority has been given to maximize job creation by ensuring that service delivery and capital projects use labour intensive methods wherever appropriate by:



- ✓ Ensuring that service providers use labour intensive approaches, community projects through Ikgopole Ka Bophepha, which has 280 people spread from all wards with stipend of R1880 per month, with a total budget of R3,5 million.
- ✓ Implementing interns programmes to provide young people with on-the-job training, two (2) interns in IT have been employed using own funding with a stipend of R5 thousand each and provision for five(5) interns in Budget are funded by FMG grant.
- ✓ An amount of R1million has been allocated to assist co-operatives to expand their farming projects and manufacturing such as Ngobi Bakery and Brick making project
- ✓ R500 thousand for SMME support
- ✓ R1,5 million for land use management for economic development
- ✓ R300 has been set aside for bursary to assist members of community to acquire relevant skills that will improve job opportunity within and outside Moretele

### **3.5.2 Public Participation Programmes**

#### **❖ Mayors outreach programme**

Budget of R1,4 million is allocated for Mayor's outreach programme such as Rebona ka Mathlu and Tsetsepela to address service delivery challenges and monitoring and evaluation of projects in progress. The benefits on this programme are that the Executives are in contact with community. The budget has grown from R900 thousand to R1,4 million.

#### **❖ Imbizo**

An amount of R1,5 million is provided in the budget to conduct Imbizo. The budget was R1,435 in 2014/15 financial year. This will deal with compliance on public participation with community engagement. Council conducts this session per quarter to ensure that communication is done with community. In addition to that, council

conducts monthly community meetings to provide progress on council programmes and projects.

#### ❖ **Ward committee Programme**

R5,1million has been provided for ward committee stipend and training programmes at R150 thousand.

#### ❖ **Maintenance of Call Centre**

The budget of R6,2 million has been provided for call centre, which is other mechanisms of opening communication with council. The customer care is incorporated into in. Queries of service delivery are registered on the centre.

#### ❖ **Communication Programmes**

The budget of R600 thousand has been provided for communication programmes, this will include buying community radio slots, printing of community newspaper Kgatelopele which provide community with information and any business opportunity within council.

### **3.5.3 Institutional Capacity through Training and Bursary for further Education**

#### **3.5.4 Community Programme**

The listed programme are meant for community benefits, this includes the following:

##### **3.5.4.1 Sports and Culture**

The sports and arts programme with total budget of R820 thousand growing to R1 million in 2015/16 financial year. The budget is to promote art and cultural programme and sports development of community.

### **3.5.4.2 Library programme**

R350 thousand has been put aside to fund all library programmes.

### **3.5.4.3 Disaster Programmes**

An allocation of R210 thousand has been budgeted to address disaster assistance in times of need. The budget will be used to buy blankets and food in unforeseeable circumstances. The budget was R210 thousand in 2014/15, no growth is projected because this as and when required.

## **3.6 Governance**

### **3.6.1 Auditing and Risk Management**

An amount of R250 thousand has been budgeted for MPAC for oversight programme, an amount of R500 thousand for Audit Committee and Risk Management and R3 million for external Audit.

### **3.6.2 Performance Management**

An amount of R500 thousand is budgeted for cascading down performance management system to lower level.

### **3.6.3 IDP Review process**

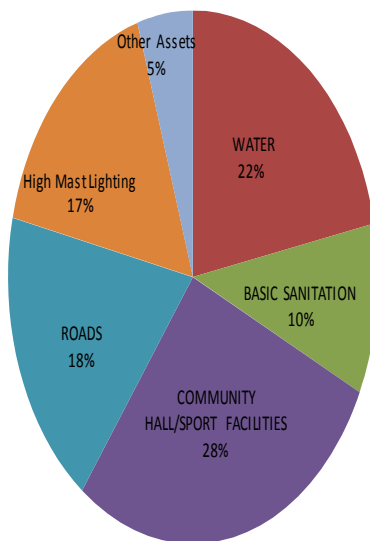
An amount of R600 thousand is budgeted for IDP review process and public participation. The budget was R450 thousand in 2014/15 financial year.

### **3.6.4 CAPITAL BUDGET**

The total capital budget of R116, 465, includes allocation of R110 815 million for grants and R5,650 for own funding.

Project Title	2015/16 OF FUNDING				Total Capital Budget 2015/16	Total planned expenditure on MIG for 2016/17	Total planned expenditure on MIG for 2017/18
	MIG	EPW	DWAF	Internal Funding			
<b>WATER</b>	R 15 171 469.00	R -	R 10 178 000.00	R -	R 25 349 469.00	R 11 000 000.00	R 17 762 600.00
<b>BASIC SANITATION COMMUNITY HALL/SPORT FACILITIES ROADS</b>	R 12 050 000.00	R -	R -	R -	R 12 050 000.00	R 15 500 000.00	R 13 500 000.00
	R 32 757 008.00	R -	R -	R -	R 32 757 008.00	R 18 000 000.00	R 27 000 000.00
	R 18 000 000.00	R 3 353 000.00	R -	R -	R 21 353 000.00	R 44 500 000.00	R 39 000 000.00
<b>High Mast Lighting</b>	R 19 305 323.00	R -	R -	R -	R 19 305 323.00	R 17 608 000.00	R 15 645 400.00
<b>Other Assets</b>	R -	R -	R -	R 5 650 000.00	R 5 650 000.00	R -	R -

**Total Capital Budget 2015/16**





#### 4. TARIFFS

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Tariff structure is attached as Annexure B.

#### BUDGET RELATED POLICIES

The budget related policies listed below, have been reviewed:

##### Credit Control and debt management Policy

- ☐ Reviewed Draft Rates Policy
- ☐ Reviewed Draft Tariff Policy
- ☐ Reviewed Draft Indigent Policy

The other policies listed below have not been reviewed. Council will have workshop on policy review in April which will later be submitted to council for approval. This includes

- ☐ Banking and Investment Policy
- ☐ Fixed Assets Management Policy
- ☐ Reviewed draft Supply Chain Management Policy
- ☐ Budget Policy
- ☐ Reserve policy- new

##### 5.1 Reviewed Credit Control and Debt collection Policy

The policy has been reviewed to accommodate recommendations submitted by Department of Co-operative and Traditional Affairs, after revenue related policies were requested. The other issues were identified during implementation of the policy, which are listed below. The affected paragraphs are reflected as follows:

## PART 2 EXPECTED FUTURE PAYMENT LEVELS

Page 5 "Paragraph to be deleted"

In terms of the budgets approved by the council, and in accordance with commonly accepted best practice, this municipality will have to strive to its utmost to ensure that payment levels for the present and future financial years, in respect of all amounts legitimately owing to the municipality – that is, inclusive of the balance of the monthly accounts payable by registered indigents – are maintained at an annual average of

at least 95%. Even with payment levels of 95% it means that the council will annually have to provide on its expenses budget a contribution to bad debts of 5% of the aggregate revenues legitimately owing to this municipality – a contribution which is made at the direct cost of improved service delivery and developmental projects.

Replaced by Recommendation from COGTA

- ☐ To promulgate credit control and debt collection by-laws which deal stringently with defaulters, but at the same time – through the formal political structures of the municipality, and in the administration's general dealings with the public
- ☐ to make the community aware of its legal obligations towards the municipality
- ☐ To emphasize the negative consequences for all of non-payment. The municipality's ward committees are particularly charged with this responsibility.

“Page 6, listed paragraphs to be deleted”

- ☐ the charge(s) for the notice sent in terms of part 3 and for the reconnection or reinstatement of the terminated or restricted service(s), as determined by the council from time to time, have been paid in full;
- ☐ a cash deposit has been lodged with the municipal manager in compliance with part 11, such deposit to be newly determined on the basis of 12 kilolitres multiplied by applicable rate for the period.
- ☐ In the case of consumers using prepaid meters, but who have fallen into arrears with the remainder of their obligations to the municipality, no prepaid purchases shall be accepted until the outstanding arrears have been settled or an acceptable arrangement made for the payment of the arrear account, as contemplated above: such arrangement may entail the limitation of the amount of prepaid services which may be purchased until the arrears or a stated percentage of the arrears has been settled.



## PART 6 ILLEGAL RECONNECTIONS

The municipal manager shall, as soon as it comes to the notice of the municipal manager that any terminated or restricted service has been irregularly reconnected or reinstated, report such action to the South African Police Service, disconnect or restrict such service(s), and not reconnect or reinstate such service(s) until the arrear account, including the interest raised on such account, the charges for the notice sent in terms of part 3 and the charges for both the original and subsequent reconnection or reinstatement of the service(s) and the revised deposit have been paid in full, together with such penalty as may be determined by the council from time to time. In addition, all metered consumption since the date of the illegal reconnection, or the estimated consumption if a reliable meter reading is not possible, shall also be paid in full before any reconnection or reinstatement is considered.

## PART 8 SERVICES NOT RECONNECTED OR RE-INSTATED AFTER TWO WEEKS

If services have been terminated or restricted in the case of a property in respect of which the account is in arrear, and the accountholder has not paid such arrears, including the interest raised on such account, or made an acceptable arrangement with the municipal manager for the payment of the arrear account, including the interest raised on such account, within a period of twenty eight (28) calendar days after the date of termination or restriction of the service(s) concerned, the municipal manager shall forthwith hand such account over for collection and such further action as is deemed necessary to the municipality's attorneys or any debt collecting agency appointed by the council. Such further action shall include if necessary the sale in execution of such property to recover arrear property rates and service charges (if the accountholder is also the owner of the property). All legal expenses incurred by the municipality shall be for the account of the defaulting accountholder.

“Page 8 , Paragraphs to be deleted.”

## PART 9 ARRANGEMENTS FOR PAYMENT OF ARREAR ACCOUNTS

### 9.1 ARRANGEMENTS FOR PAYMENT OF NORMAL CONSUMER ACCOUNTS

Allowing defaulting accountholders to make arrangements for the payment of arrear accounts shall be at the discretion of the municipal manager or delegated municipal official.

Each defaulting accountholder shall be allowed to make a payment arrangement maximum period of 3 (three) months within which to pay an arrear account, together with the interest raised on such account, and it shall be a condition for the conclusion of any arrangement that the accountholder is bound to pay every month. current municipal account in full and on time during the period over which such arrangement extends.

If an accountholder breaches any material term of an arrangement, the balance of the arrear account, together with the balance of interest raised on such account, shall immediately become due and payable to the municipality, and if the accountholder defaults on such payment, the municipal manager shall terminate or restrict water services to the property in question (if such services are provided by the municipality or its agent) and shall forthwith hand such account over for collection as envisaged in part 8.

“Page 9. New section added after COGTA’s recommendation”

#### PART 11 PAYMENTS OF DEPOSITS

Council shall not charge a service connection deposit under the tribal land households. Council will review the determination of connections deposit annually.

#### PART 12 ALLOCATIONS OF PART-PAYMENTS

If an accountholder pays only part of any municipal account due, the municipal manager shall allocate such payment with the following steps:

“Page, Paragraph to be deleted which is not applicable”

In the event of an accountholder's defaulting on the payment of an arrear account, as contemplated in parts 6, 8 and 9, the municipal manager shall forthwith appropriate as much of such deposit as is necessary to defray any costs incurred by the municipality and the arrear amount owing to the municipality in the same sequence that is applicable to the allocation of part payments, as contemplated above.

"Delete wording on this paragraph on page 10"

#### PART 14 INABILITY TO READ METERS

If the municipality is unable to read any meter on any property because the meter has been rendered inaccessible through any act or omission of the accountholder or owner of the property concerned, the municipal manager shall estimate the consumption of the service concerned by: determining the monthly average of the metered consumption recorded on the three most recent accounts in respect of which meter readings were obtained, and thereafter bill the accountholder for the monetary value of such estimated consumption plus a provisional surcharge of 10% of such value for the first month in which the metered reading could not be obtained, escalating to 20% in the second month, 30% in the third month, and so on by 10 percentage points for each subsequent month, until the meter is again rendered percentage points for each subsequent month, until the meter is again rendered accessible. The accountholder shall be liable for the initial payment of such surcharge(s) as though the surcharge were part of the service charge concerned, but the municipal manager shall reverse such surcharge(s) against the first account for which a meter reading is again obtained.

- The Season Control Method will be used to establish the months that are to be used in determining the differences between winter and summer averages.
- If the month in which the levy is going to be raised = August and the consumption is normally in July, then August must be marked as a "winter" month. (= 2)
- It will use the last 12 (billed) normal readings, apply the season control and then add the consumptions together divided by the number of billing months involved.

Page 13, paragraph to be deleted.

## PART 15 DISHONoured AND OTHER UNACCEPTABLE CHEQUES

If an accountholder tenders a cheque which is subsequently dishonoured by or is found to be unacceptable to the accountholder's bankers, the municipal manager shall – in addition to taking the steps contemplated in this policy against defaulting accountholders – charge such accountholder the penalty charge for unacceptable cheques, as determined by the council from time to time, and such charge shall rank equally with the costs and expenses incurred by the municipality for purposes of determining the sequence of allocations and appropriations contemplated in part 12.

“Amendment on page 15 on the paragraph below”

## PART 19 INTEREST ON ARREARS AND OTHER PENALTY CHARGES

The due date for all municipal accounts is the 7th day of every month.

Interest shall be charged on all arrear accounts at a rate of 9% per annum ,

In considering each annual budget the council shall review the adequacy of its interest charges, and shall determine the following for the financial year concerned:

- ☐ charges for disconnection or restriction of services (part 3)
- ☐ charges for reconnection or reinstatement of services (part 4)
- ☐ charges for notices of default (part 3)
- ☐ penalty charges for illegal reconnections (part 6)
- ☐ penalty charges for dishonoured cheques (part 15).

### Interest on arrears and other penalty charges

- ☐ Interest shall be calculated on a daily basis. For purposes of determining arrear amounts, all amounts unpaid including interest previously raised and penalty charges, but excluding value added tax, shall be taken into account.

“New section as per COGTA recommendations”

## PART 24 EXPECTED FUTURE PAYMENT LEVELS

In terms of the budgets approved by the council, and in accordance with commonly accepted best practice, this municipality aims to strive to its utmost ability to ensure that payment levels for the present and future financial years, in respect of all amounts legitimately owing to the municipality – that is, inclusive of the balance of the monthly accounts payable by registered indigents – are maintained at an annual average of at least 20%.

It is generally accepted by this council that payment levels averaging below 20% per month are untenable, and are a certain forerunner of financial disaster for this municipality. Even with payment levels of 20% it means that the council will annually have to provide on its expenses budget a contribution to bad debts of 80% of the aggregate revenues legitimately owing to this municipality – a contribution that is made at the direct cost of improved service delivery and developmental projects.

The only solution to the ongoing problem of non-payment by residents who can afford their monthly commitments to the municipality is to introduce a twofold approach: to promulgate credit control and debt collection by-laws which deal stringently with defaulters, but at the same time – through the formal political structures of the municipality, and in the administration’s general dealings with the public – to make the community aware of its legal obligations towards the municipality, and to emphasise the negative consequences for all if non-payment continues. The municipality’s ward committees are particularly charged with this responsibility.

## 5.2 REVIEWED INDIGENT MANAGEMENT POLICY

Page 4

- ☐ A household whose combine gross monthly income of all members over 18 years of age must not exceed R3000.00 per month.

“Page 5, paragraph amended”

## PART 3 APPLICATION OF THE POLICY

In respect of water, a 100% subsidy of the fixed availability charge and of metered consumption up to 12 kilolitres per household per month will apply; however, if consumption exceeds 12 kilolitres per metering period (month) the consumer will be charged at normal tariffs for actual consumption on the quantity exceeding 6 kilolitres. If unmetered water is provided, a 100% subsidy of the fixed availability charge will apply.

In respect of property rates, the rebate shall be 100% of the rates based on the rateable value up to R65 000 and 75% of the rates based on the rateable value above R65 000.

“Page 9, paragraph added on”

### PROCESS MANAGEMENT

#### Validity Period

- ☐ The validity indigent register is to be linked to the term of council.
- ☐ State pensioners need not reapply as they automatically qualify by virtue of them being aged and their unchanging status
- ☐ Reapplication process to start in April of each year, to be conducted by means of verification by councillors to verify status change for all applicants other than pensioners.

#### 5.3 Reviewed Rates Policy

“Page 7, paragraph amended”

### 5.3 Poverty alleviation

The effect of rates on the poor has been taken into account in terms of the municipality's free basic services and indigent support policy. The first R65 000 of the value of all residential property according to the approval of valuation roll will be exempted from the payment of assessment rates.

"Page 9,paragraph amended"

The categories that are determined in line with section 8(1) of the MPRA, are:

#### CATEGORY

- agricultural
- businesses
- cemeteries
- churches
- educational
- government
- institutions
- public roads
- public spaces
- reservoirs
- residential
- vacant stands
- state land
- other (not known)

## 10.2 Exemptions

10.2.9 in addition to the first R65 000, 00 of exemption as per paragraph 5.3 of the policy a further rebate which will eventually be a total of 100% of levied residential rates for property owners over the age of 60 years or being the breadwinner and total dependent

10.2.10 in addition to the first R65 000,00 of exemption as per paragraph 5.3 of the policy a further rebate which will eventually be a total of 100% of levied residential rates for households where a direct family member is instituted as a mentally disabled patient subject to the following conditions:

10.2.11 all properties as specified by section 17(1) of the MPRA as follows:

- on the first 30% of the market value of public service infrastructure comprising of: water, sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants, or water pumps, forming part of a water scheme serving the public.
- on those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management Biodiversity Act, 2004, which are not developed or used for commercial business, or residential agricultural purposes;
- on mineral rights within the meaning of paragraph (b) of the definition of “property” in Section 1 of the MPRA;
- on a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary’s title was registered in the office of the Registrar of Deeds; on the first R65 000,00 of the market value of the property assigned in the valuation roll of a municipality to a category determined by the municipality:



“Page 14, additional paragraph”

## PART 13 CONCLUSIONS

Rates constitute the primary source of revenue for the funding of those municipal services where the benefits is shared by the local community and does not accrue to any individual person or rates payer.

The preservation of ratings as the local tax base is a precondition for the autonomy of local government and it is for this reason that it is incumbent upon all rates payers to honour their obligation to their municipality.

Choose name from list - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands									
<b><u>Financial Performance</u></b>									
Property rates	2 459	3 807	19 247	21 233	31 152	-	35 011	37 252	39 636
Service charges	18 386	19 180	24 962	29 068	29 068	-	41 778	44 452	47 297
Investment revenue	714	1 901	2 083	3 704	3 704	-	3 911	3 911	4 428
Transfers recognised - operational	137 224	153 616	177 267	225 060	231 916	-	269 113	286 336	304 661
Other own revenue	9 034	5 936	6 287	17 363	5 819	-	9 207	9 450	10 423
<b>Total Revenue (excluding capital transfers and contributions)</b>	167 818	184 439	229 847	296 428	301 659	-	359 020	381 400	406 445
Employee costs Remuneration	39 709	49 418	56 624	73 931	68 646	-	85 002	90 442	96 230
of councillors Depreciation &	13 837	14 784	16 635	17 831	17 649	-	18 188	19 352	20 591
asset impairment Finance	18 049	4 922	85 732	5 870	5 870	-	8 199	8 723	9 282
charges	403	93	10	120	120	-	170	170	192
Materials and bulk purchases	51 763	53 031	37 672	65 200	66 151	-	65 540	69 735	74 198
Transfers and grants	-	-	-	13 794	13 794	-	12 461	12 461	14 107
Other expenditure	95 941	104 422	119 821	105 454	113 143	-	144 999	154 290	164 153
<b>Total Expenditure</b>	219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
<b>Surplus/(Deficit)</b>	(51 885)	(42 231)	(86 647)	14 229	16 285	-	24 461	26 226	27 692
Transfers recognised - capital	72 896	138 952	121 079	107 110	157 089	-	110 815	106 608	112 908
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	21 011	96 721	34 431	121 339	173 375	-	135 275	132 834	140 600
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	21 011	96 721	34 431	121 339	173 375	-	135 275	132 834	140 600
<b><u>Capital expenditure &amp; funds sources</u></b>									
<b>Capital expenditure</b>	69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908
Transfers recognised - capital	61 635	130 233	112 069	107 110	157 089	-	110 815	106 608	112 908
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	8 086	1 559	937	11 556	6 980	-	5 650	-	-
<b>Total sources of capital funds</b>	69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908
<b><u>Financial position</u></b>									
Total current assets Total	47 193	28 261	86 026	48 169	48 169	-	42 312	44 582	42 774
non current assets Total	353 427	471 528	1 046 171	689 438	1 210 241	-	1 320 706	1 421 314	1 528 222
current liabilities Total non	171 158	173 608	109 482	40 395	16 000	-	-	-	-
current liabilities	117	117	35 717	32 588	32 588	-	10 684	11 325	12 005
Community wealth/Equity	229 345	326 064	986 999	664 624	1 209 822	-	1 352 334	1 454 570	1 558 991
<b><u>Cash flows</u></b>									
Net cash from (used) operating	441 83	102 678	120 132	112 341	164 257	-	134 925	129 326	148 397
Net cash from (used) investing	(86 79)	(131 792)	(100 237)	(118 666)	(164 069)	-	(116 465)	(106 608)	(112 908)
Net cash from (used) financing	(362 928)	(1 441)	(214)	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	31 392	836	20 485	36 768	994	-	19 267	41 985	77 474
<b><u>Cash backing/surplus reconciliation</u></b>									
Cash and investments available	31 362	806	20 486	12 413	12 413	-	-	-	-
Application of cash and investments	131 698	121 000	38 495	20 004	(4 030)	-	(18 661)	(18 550)	(18 775)
<b>Balance - surplus (shortfall)</b>	(100 337)	(120 195)	(18 009)	(7 591)	16 443	-	18 661	18 550	18 775
<b><u>Asset management</u></b>									
Asset register summary (WDV)	353 427	471 528	1 046 171	689 438	1 210 241	-	1 320 706	1 421 314	1 528 222
Depreciation & asset impairment	18 049	4 922	85 732	5 870	5 870	-	8 199	8 723	9 282
Renewal of Existing Assets	-	-	-	11 200	11 522	-	10 178	-	-
Repairs and Maintenance	-	-	-	17 904	18 856	-	18 245	18 252	20 540
<b><u>Free services</u></b>									
Cost of Free Basic Services provided	295	388	-	935	935	-	935	987	1 043
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-
<b><u>Households below minimum service level</u></b>									
Water:	-	-	-	34	34	-	33	33	33
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Revenue - Standard										
Governance and administration		222 328	304 211	204 885	267 360	277 634	-	317 242	336 948	359 148
Executive and council		222 328	300 404	185 637	246 127	246 483	-	282 231	299 696	319 512
Budget and treasury office		-	3 807	19 247	21 233	31 152	-	35 011	37 252	39 636
Corporate services		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	121 079	107 110	157 089	-	110 815	106 608	112 908
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	121 079	107 110	157 089	-	110 815	106 608	112 908
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		18 386	19 180	24 962	29 068	29 068	-	41 778	44 452	47 297
Electricity		-	-	-	-	-	-	-	-	-
Water		18 386	16 106	15 774	18 781	18 781	-	25 118	26 725	28 436
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	3 075	9 188	10 287	10 287	-	16 661	17 727	18 862
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	240 714	323 391	350 925	403 538	463 792	-	469 835	488 008	519 353
Expenditure - Standard										
Governance and administration		219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
Executive and council		219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
Budget and treasury office		-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
Surplus/(Deficit) for the year		21 011	96 721	34 431	121 339	178 418	-	135 275	132 834	140 600

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by standard classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a standard classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

Choose name from list - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

[illegible]

Sewerage	2									
Storm Water Management										
Public Toilets										
Waste management		-	3 075	9 188	10 287	10 287	-	16 661	17 727	18 862
Solid Waste			3 075	9 188	10 287	10 287		16 661	17 727	18 862
Other		-	-	-	-	-	-	-	-	-
Air Transport										
Abattoirs										
Tourism										
Forestry										
Markets										
Total Revenue - Standard		240 714	323 391	350 925	403 538	463 792	-	469 835	488 008	519 353
Expenditure - Standard	3									
Municipal governance and administration		219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
Executive and council		219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
Mayor and Council		219 703	226 671	316 494	282 199	285 374		334 560	355 174	378 754
Municipal Manager										
Budget and treasury office										
Corporate services		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard		219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
Surplus/(Deficit) for the year		21 011	96 721	34 431	121 339	178 418	-	135 275	132 834	140 600

#### References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
2. Total Revenue by Standard Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
3. Total Expenditure by Standard Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
4. All amounts must be classified under a Standard (modified GFS) classification. The GFS function 'Other' is only for Abattoirs, Air Transport, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

check oprev balance	-	-	-	65	5 043 486	-	-	-	-
check opexp balance	-	-	-	66	-	-	-	-	-

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND MAYOR		222 328	300 404	185 637	246 127	241 439	–	282 231	299 696	319 512
Vote 2 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
Vote 3 - BUDGET AND TREASURY OFFICE		–	3 807	19 247	21 233	31 152	–	35 011	37 252	39 636
Vote 4 - HUMAN RESOURCE AND CORPORATE SERVICE		–	–	–	–	–	–	–	–	–
Vote 5 - TECHNICAL SERVICES		18 386	19 180	146 040	136 178	186 157	–	152 593	151 060	160 205
Vote 6 - COMMUNITY DEVELOPMENT SERVICES		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	240 714	323 391	350 925	403 538	458 748	–	469 835	488 008	519 353
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND MAYOR		219 703	226 671	316 494	282 199	285 374	–	334 560	355 174	378 754
Vote 2 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
Vote 3 - BUDGET AND TREASURY OFFICE		–	–	–	–	–	–	–	–	–
Vote 4 - HUMAN RESOURCE AND CORPORATE SERVICE		–	–	–	–	–	–	–	–	–
Vote 5 - TECHNICAL SERVICES		–	–	–	–	–	–	–	–	–
Vote 6 - COMMUNITY DEVELOPMENT SERVICES		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	219 703	226 671	316 494	282 199	285 374	–	334 560	355 174	378 754
Surplus/(Deficit) for the year	2	21 011	96 721	34 431	121 339	173 375	–	135 275	132 834	140 600

References

- 1. Insert 'Vote'; e.g. department, if different to standard classification structure
- 2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
- 3. Assign share in 'associate' to relevant Vote

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND MAYOR		222 328	300 404	185 637	246 127	241 439	–	282 231	299 696	319 512
MAYOR AND COUNCIL		222 328	300 404	185 637	246 127	241 439		282 231	299 696	319 512
MAYOR AND COUNCIL SUPPORT										
COMMUNICATION										
LOCAL ECONOMIC DEVELOPMENT										
COMMUNITY LIASON OFFICE										
PERFORMANCE MANAGEMENT										
Vote 2 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
MUNICIPAL MANAGER'S ADMINISTRATION										
IDP										
INTERNAL AUDIT										
Vote 3 - BUDGET AND TREASURY OFFICE		–	3 807	19 247	21 233	31 152	–	35 011	37 252	39 636
BTO ADMIN REVENUE UNIT		–	3 807	19 247	21 233	31 152		35 011	37 252	39 636
EXPENDITURE AND BUDGET										
SCM UNIT										
Vote 4 - HUMAN RESOURCE AND CORPORATE SERVICE		–	–	–	–	–	–	–	–	–
ADMINISTRATION										
INFORMATION TECHNOLOGY										
HUMAN RESOURCE										
Vote 5 - TECHNICAL SERVICES		18 386	19 180	146 040	136 178	186 157	–	152 593	151 060	160 205
ADMINISTRATION										
WATER AND SANITATION		18 386	19 180	24 962	29 068	29 068		41 778	44 452	47 297
ROADS AND STORMWATER		–	–	121 079	107 110	157 089		110 815	106 608	112 908
PMU										
ELECTRICITY										
Vote 6 - COMMUNITY DEVELOPMENT SERVICES		–	–	–	–	–	–	–	–	–
ADMINISTRATION SOCIAL										
SERVICES DISASTER										
MANAGEMENT										
SPORTS,ART AND CULTURE										
HEALTH										
LIBRARIES										
Total Revenue by Vote	2	240 714	323 391	350 925	403 538	458 748	–	469 835	488 008	519 353

Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND MAYOR		219 703	226 671	316 494	282 199	285 374	–	334 560	355 174	378 754
MAYOR AND COUNCIL		219 703	226 671	316 494	282 199	285 374		334 560	355 174	378 754
MAYOR AND COUNCIL SUPPORT										
COMMUNICATION										
LOCAL ECONOMIC DEVELOPMENT										
COMMUNITY LIASON OFFICE										
PERFORMANCE MANAGEMENT										
Vote 2 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	–	–
MUNICIPAL MANAGER'S ADMINISTRATION										
IDP										
INTERNAL AUDIT										
Vote 3 - BUDGET AND TREASURY OFFICE		–	–	–	–	–	–	–	–	–
BTO ADMIN REVENUE UNIT										
EXPENDITURE AND BUDGET										
SCM UNIT										
Vote 4 - HUMAN RESOURCE AND CORPORATE SERVICE		–	–	–	–	–	–	–	–	–
ADMINISTRATION										
INFORMATION TECHNOLOGY										
HUMAN RESOURCE										
Vote 5 - TECHNICAL SERVICES		–	–	–	–	–	–	–	–	–
ADMINISTRATION										
WATER AND SANITATION										
ROADS AND STORMWATER										
PMU										
ELECTRICITY										
Vote 6 - COMMUNITY DEVELOPMENT SERVICES		–	–	–	–	–	–	–	–	–
ADMINISTRATION SOCIAL										
SERVICES DISASTER										
MANAGEMENT										
SPORTS,ART AND CULTURE										
HEALTH										
LIBRARIES										
Total Expenditure by Vote	2	219 703	226 671	316 494	282 199	285 374	–	334 560	355 174	378 754
Surplus/(Deficit) for the year	2	21 011	96 721	34 431	121 339	173 375	–	135 275	132 834	140 600

References



Choose name from list - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										

1. Insert 'Vote'; e.g. Department, if different to standard structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)										
Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
<b>Revenue By Source</b>										
Property rates	2	2 459	3 807	19 247	21 233	31 152	-	35 011	37 252	39 636
Property rates - penalties & collection charges										
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	18 386	16 106	15 774	18 781	18 781	-	25 118	26 725	28 436
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	3 075	9 188	10 287	10 287	-	16 661	17 727	18 862
Service charges - other						-				
Rental of facilities and equipment		22	102	71	95	95		100	100	114
Interest earned - external investments		714	1 901	2 083	3 704	3 704		3 911	3 911	4 428
Interest earned - outstanding debtors		8 426	3 404	4 547	5 038	5 038		5 320	5 320	6 022
Dividends received						-				
Fines						-				
Licences and permits						-				
Agency services						-				
Transfers recognised - operational		137 224	153 616	177 267	225 060	231 916		269 113	286 336	304 661
Other revenue	2	587	2 430	1 669	12 230	686	-	3 787	4 030	4 287
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)		167 818	184 439	229 847	296 428	301 659	-	359 020	381 400	406 445
<b>Expenditure By Type</b>										
Employee related costs	2	39 709	49 418	56 624	73 931	68 646	-	85 002	90 442	96 230
Remuneration of councillors		13 837	14 784	16 635	17 831	17 649		18 188	19 352	20 591
Debt impairment	3	36 036	12 689	14 656	8 387	8 387		39 520	42 050	44 741
Depreciation & asset impairment	2	18 049	4 922	85 732	5 870	5 870	-	8 199	8 723	9 282
Finance charges		403	93	10	120	120		170	170	192
Bulk purchases	2	45 860	42 513	29 503	47 295	47 295	-	47 295	50 322	53 542
Other materials	8	5 903	10 518	8 169	17 905	18 856		18 245	19 413	20 656
Contracted services		5 728	14 333	14 414	28 680	37 557	-	43 888	46 697	49 686
Transfers and grants		-	-	-	13 794	13 794	-	12 461	12 461	14 107
Other expenditure	4, 5	54 178	77 400	90 751	68 387	67 199	-	61 591	65 543	69 727
Loss on disposal of PPE										
Total Expenditure		219 703	226 671	316 494	282 199	285 374	-	334 560	355 174	378 754
<b>Surplus/(Deficit)</b>										
Transfers recognised - capital		72 896	138 952	121 079	107 110	157 089		110 815	106 608	112 908
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		21 011	96 721	34 431	121 339	173 375	-	135 275	132 834	140 600
Taxation										
Surplus/(Deficit) after taxation		21 011	96 721	34 431	121 339	173 375	-	135 275	132 834	140 600
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		21 011	96 721	34 431	121 339	173 375	-	135 275	132 834	140 600
Share of surplus/ (deficit) of associate	7									
Surplus/(Deficit) for the year		21 011	96 721	34 431	121 339	173 375	-	135 275	132 834	140 600

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method

Choose name from list - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	1									
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>	2									
Vote 1 - EXECUTIVE AND MAYOR		-	-	-	7 000	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-
Vote 4 - HUMAN RESOURCE AND CORPORATE SERVICE		7 654	1 559	937	756	806	-	5 650	-	-
Vote 5 - TECHNICAL SERVICES		61 635	130 233	112 069	110 910	163 263	-	78 058	88 608	85 908
Vote 6 - COMMUNITY DEVELOPMENT SERVICES		431	-	-	-	-	-	32 757	18 000	27 000
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908
<b>Single-year expenditure to be appropriated</b>	2									
Vote 1 - EXECUTIVE AND MAYOR		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-
Vote 4 - HUMAN RESOURCE AND CORPORATE SERVICE		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY DEVELOPMENT SERVICES		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908
<b>Capital Expenditure - Standard</b>										
<b>Governance and administration</b>		8 086	1 559	937	7 756	806	-	5 650	-	-
Executive and council					7 000					
Budget and treasury office										
Corporate services		8 086	1 559	937	756	806		5 650		
<b>Community and public safety</b>		-	-	-	-	-	-	32 757	18 000	27 000
Community and social services										
Sport and recreation								32 757	18 000	27 000
Public safety										
Housing										
Health										
<b>Economic and environmental services</b>		-	-	47 301	60 291	82 375	-	21 353	44 500	39 000
Planning and development										
Road transport				47 301	60 291	82 375		21 353	44 500	39 000
Environmental protection										
<b>Trading services</b>		-	-	64 769	48 019	77 939	-	56 705	44 108	46 908
Electricity					2 000	2 892		19 305	17 608	15 645
Water				16 061	17 957	56 763		25 349	11 000	17 763
Waste water management				48 707	28 062	18 285		12 050	15 500	13 500
Waste management										
<b>Other</b>		61 635	130 233		2 600	2 950				
Total Capital Expenditure - Standard	3	69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908
<b>Funded by:</b>										
National Government		61 635	130 233	98 069	107 110	109 589		110 815	106 608	112 908
Provincial Government				14 000		31 500				
District Municipality						16 000				
Other transfers and grants										
Transfers recognised - capital	4	61 635	130 233	112 069	107 110	157 089	-	110 815	106 608	112 908
Public contributions & donations	5									
Borrowing	6									
Internally generated funds		8 086	1 559	937	11 556	6 980		5 650		
Total Capital Funding	7	69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by standard classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17
7. Total Capital Funding must balance with Total Capital Expenditure
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget

Choose name from list - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
<u>Capital expenditure - Municipal Vote</u>										
<u>Multi-year expenditure appropriation</u>	2									
Vote 1 - EXECUTIVE AND MAYOR		-	-	-	7 000	-	-	-	-	-
MAYOR AND COUNCIL					7 000			-	-	-
MAYOR AND COUNCIL SUPPORT								-	-	-
COMMUNICATION								-	-	-
LOCAL ECONOMIC DEVELOPMENT								-	-	-
COMMUNITY LIASON OFFICE								-	-	-
PERFORMANCE MANAGEMENT								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
MUNICIPAL MANAGER'S ADMINISTRATION								-	-	-
IDP								-	-	-
INTERNAL AUDIT								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
Vote 3 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-
BTO ADMIN REVENUE UNIT								-	-	-
EXPENDITURE AND BUDGET								-	-	-
SCM UNIT								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
Vote 4 - HUMAN RESOURCE AND CORPORATE SERVIC		7 654	1 559	937	756	806	-	5 650	-	-

ADMINISTRATION	7 654	1 559	937	756	806		5 650	-	-
INFORMATION TECHNOLOGY							-	-	-
HUMAN RESOURCE							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
<b>Vote 5 - TECHNICAL SERVICES</b>	<b>61 635</b>	<b>130 233</b>	<b>112 069</b>	<b>110 910</b>	<b>163 263</b>	<b>-</b>	<b>78 058</b>	<b>88 608</b>	<b>85 908</b>
ADMINISTRATION	61 635	130 233		2 600	2 600		-	-	-
WATER AND SANITATION			64 769	46 019	75 047		37 399	26 500	31 263
ROADS AND STORMWATER			47 301	60 291	82 375		21 353	44 500	39 000
PMU					350		-	-	-
ELECTRICITY				2 000	2 892		19 305	17 608	15 645
							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
<b>Vote 6 - COMMUNITY DEVELOPMENT SERVICES</b>	<b>431</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32 757</b>	<b>18 000</b>	<b>27 000</b>
ADMINISTRATION SOCIAL							-	-	-
SERVICES DISASTER							-	-	-
MANAGEMENT SPORTS,ART							-	-	-
AND CULTURE HEALTH	431						32 757	18 000	27 000
LIBRARIES							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
							-	-	-
<b>Vote 7 - [NAME OF VOTE 7]</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Capital multi-year expenditure sub-total	-	-	-	-	-	-	-	-	-
	69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908

Choose name from list - Table A6 Budgeted Financial Position

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
ASSETS										
Current assets										
Cash		31 357	679	2 413						
Call investment deposits	1	5	127	18 073	12 413	12 413	–	–	–	–
Consumer debtors	1	12 392	14 782	59 017	35 043	35 043	–	42 312	44 582	42 774
Other debtors		2 850	12 131	6 109						
Current portion of long-term receivables										
Inventory	2	589	543	414	713	713				
Total current assets		47 193	28 261	86 026	48 169	48 169	–	42 312	44 582	42 774
Non current assets										
Long-term receivables										
Investments										
Investment property		2 318	2 318							
Investment in Associate										
Property, plant and equipment	3	351 109	469 210	1 046 171	689 438	1 210 241	–	1 320 706	1 421 314	1 528 222
Agricultural										
Biological										
Intangible										
Other non-current assets										
Total non current assets		353 427	471 528	1 046 171	689 438	1 210 241	–	1 320 706	1 421 314	1 528 222
TOTAL ASSETS		400 619	499 789	1 132 198	737 607	1 258 410	–	1 363 018	1 465 895	1 570 995
LIABILITIES										
Current liabilities										
Bank overdraft	1									
Borrowing	4	1 324	–	28	–	–	–	–	–	–
Consumer deposits										
Trade and other payables	4	139 898	141 465	109 454	40 395	16 000	–	–	–	–
Provisions		29 935	32 143							
Total current liabilities		171 158	173 608	109 482	40 395	16 000	–	–	–	–
Non current liabilities										
Borrowing		117	117	117	–	–	–	–	–	–
Provisions		–	–	35 600	32 588	32 588	–	10 684	11 325	12 005
Total non current liabilities		117	117	35 717	32 588	32 588	–	10 684	11 325	12 005
TOTAL LIABILITIES		171 275	173 725	145 199	72 983	48 588	–	10 684	11 325	12 005
NET ASSETS	5	229 345	326 064	986 999	664 624	1 209 822	–	1 352 334	1 454 570	1 558 991
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)		229 345	326 064	986 999	664 624	1 209 822		1 352 334	1 454 570	1 558 991
Reserves	4	–	–	–	–	–	–	–	–	–
Minorities' interests										
TOTAL COMMUNITY WEALTH/EQUITY	5	229 345	326 064	986 999	664 624	1 209 822	–	1 352 334	1 454 570	1 558 991

References

- Detail to be provided in Table SA3
- Include completed low cost housing to be transferred to beneficiaries within 12 months
- Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
- Detail to be provided in Table SA3. Includes reserves to be funded by statute.
- Net assets must balance with Total Community Wealth/Equity

Choose name from list - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		2 459	3 807	51 168	21 233	31 152		35 011	35 011	39 636
Service charges Other		13 007	15 656		5 908	5 909		2 258	2 258	2 394
revenue Government -		608	2 531	3 851	12 230	686		659	659	703
operating Government -	1	145 573	270 854	177 267	225 060	231 916		269 113	269 113	304 661
capital Interest	1	72 896		119 678	107 110	157 089		110 815	106 608	112 908
Dividends		9 140	5 305	6 631	8 741	8 741		3 911	3 911	4 428
Payments								-	-	-
Suppliers and employees										
Finance charges		198 558	(195 382)	(238 453)	(267 822)	(271 117)		(274 210)	(275 602)	(302 033)
Transfers and Grants		(403)	(93)	(10)	(120)	(120)		(170)	(170)	(192)
	1							(12 461)	(12 461)	(14 107)
NET CASH FROM/(USED) OPERATING ACTIVITIES		441 838	102 678	120 132	112 341	164 257	-	134 925	129 326	148 397
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 300						-	-	-
Decrease (Increase) in non-current debtors		-						-	-	-
Decrease (increase) other non-current receivables		-						-	-	-
Decrease (increase) in non-current investments		-						-	-	-
Payments										
Capital assets		(88 095)	(131 792)	(100 237)	(118 666)	(164 069)		(116 465)	(106 608)	(112 908)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(86 795)	(131 792)	(100 237)	(118 666)	(164 069)	-	(116 465)	(106 608)	(112 908)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-						-	-	-
Borrowing long term/refinancing		(356 950)						-	-	-
Increase (decrease) in consumer deposits		-						-	-	-
Payments										
Repayment of borrowing		(5 979)	(1 441)	(214)				-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(362 928)	(1 441)	(214)	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(7 886)	(30 556)	19 680	(6 325)	188	-	18 461	22 718	35 489
Cash/cash equivalents at the year begin:	2	39 278	31 392	805	43 093	806		806	19 267	41 985
Cash/cash equivalents at the year end:	2	31 392	836	20 485	36 768	994	-	19 267	41 985	77 474

References

1. Local/District municipalities to include transfers from/to District/Local Municipallties

2. Cash equivalents includes investments with maturities of 3 months or less

Choose name from list - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
Cash and investments available										
Cash/cash equivalents at the year end	1	31 392	836	20 485	36 768	994	–	19 267	41 985	77 474
Other current investments > 90 days		(31)	(31)	0	(24 355)	11 419	–	(19 267)	(41 985)	(77 474)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–
Cash and investments available:		31 362	806	20 486	12 413	12 413	-	-	-	-
Application of cash and investments										
Unspent conditional transfers		40 585	18 873	603	–	–	–	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–
Statutory requirements	2									
Other working capital requirements	3	91 113	102 128	37 892	20 004	(4 030)	–	(18 661)	(18 550)	(18 775)
Other provisions										
Long term investments committed	4	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5									
Total Application of cash and investments:		131 698	121 000	38 495	20 004	(4 030)	–	(18 661)	(18 550)	(18 775)
Surplus(shortfall)		(100 337)	(120 195)	(18 009)	(7 591)	16 443	-	18 661	18 550	18 775

References

- 1. Must reconcile with Budgeted Cash Flows
- 2. For example: VAT, taxation
- 3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
- 4. For example: sinking fund requirements for borrowing
- 5. Council approval required for each reserve created and basis of cash backing of reserves



Choose name from list - Table A9 Asset Management

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
<b>CAPITAL EXPENDITURE</b>										
<u>Total New Assets</u>	1	69 721	131 792	113 006	107 466	152 547	-	106 287	106 608	112 908
Infrastructure - Road transport		-	-	47 301	60 291	82 375	-	21 353	44 500	39 000
Infrastructure - Electricity		-	-	-	800	1 370	-	19 305	17 608	15 645
Infrastructure - Water		-	-	16 061	7 957	46 763	-	15 171	11 000	17 763
Infrastructure - Sanitation		-	-	48 707	28 062	18 285	-	12 050	15 500	13 500
Infrastructure - Other		61 635	130 233	-	-	-	-	-	-	-
Infrastructure		61 635	130 233	112 069	97 110	148 791	-	67 880	88 608	85 908
Community Heritage		-	-	-	-	-	-	32 757	18 000	27 000
assets Investment		-	-	-	-	-	-	-	-	-
properties Other		-	-	-	-	-	-	-	-	-
assets	6	8 086	1 559	937	10 356	3 756	-	5 650	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Renewal of Existing Assets</u>	2	-	-	-	11 200	11 522	-	10 178	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	1 200	1 522	-	-	-	-
Infrastructure - Water		-	-	-	10 000	10 000	-	10 178	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	11 200	11 522	-	10 178	-	-
Community Heritage		-	-	-	-	-	-	-	-	-
assets Investment		-	-	-	-	-	-	-	-	-
properties Other		-	-	-	-	-	-	-	-	-
assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	47 301	60 291	82 375	-	21 353	44 500	39 000
Infrastructure - Electricity		-	-	-	2 000	2 892	-	19 305	17 608	15 645
Infrastructure - Water		-	-	16 061	17 957	56 763	-	25 349	11 000	17 763
Infrastructure - Sanitation		-	-	48 707	28 062	18 285	-	12 050	15 500	13 500
Infrastructure - Other		61 635	130 233	-	-	-	-	-	-	-
Infrastructure		61 635	130 233	112 069	108 310	160 313	-	78 058	88 608	85 908
Community Heritage		-	-	-	-	-	-	32 757	18 000	27 000
assets Investment		-	-	-	-	-	-	-	-	-
properties Other		-	-	-	-	-	-	-	-	-
assets		8 086	1 559	937	10 356	3 756	-	5 650	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	2	69 721	131 792	113 006	118 666	164 069	-	116 465	106 608	112 908
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5									
Infrastructure - Road transport										
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other		351 109	469 210	1 046 171	689 438	1 210 241		1 320 706	1 421 314	1 528 222
Infrastructure		351 109	469 210	1 046 171	689 438	1 210 241	-	1 320 706	1 421 314	1 528 222
Community										
Heritage assets										
Investment properties		2 318	2 318	-	-	-	-	-	-	-
Other assets										
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	353 427	471 528	1 046 171	689 438	1 210 241	-	1 320 706	1 421 314	1 528 222
<b>EXPENDITURE OTHER ITEMS</b>										
<u>Depreciation &amp; asset impairment</u>	3	18 049	4 922	85 732	5 870	5 870	-	8 199	8 723	9 282
<u>Repairs and Maintenance by Asset Class</u>		-	-	-	17 904	18 856	-	18 245	18 252	20 540
Infrastructure - Road transport		-	-	-	200	200	-	300	300	340
Infrastructure - Electricity		-	-	-	1 682	4 182	-	2 500	2 500	2 830
Infrastructure - Water		-	-	-	9 740	7 635	-	11 000	11 000	12 453
Infrastructure - Sanitation		-	-	-	2 114	2 114	-	1 500	1 500	1 698
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	13 736	14 131	-	15 300	15 300	17 321
Community Heritage		-	-	-	-	-	-	-	-	-
assets Investment		-	-	-	-	-	-	-	-	-
properties Other		-	-	-	-	-	-	-	-	-
assets	6, 7	-	-	-	4 169	4 725	-	2 945	2 952	3 219
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		18 049	4 922	85 732	23 774	24 726	-	26 444	26 975	29 822
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	9.4%	7.0%	0.0%	8.7%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	0.0%	190.8%	196.3%	0.0%	124.1%	0.0%	0.0%
<i>R&amp;M as a % of PPE</i>		0.0%	0.0%	0.0%	2.6%	1.6%	0.0%	1.4%	1.3%	1.3%
<i>Renewal and R&amp;M as a % of PPE</i>		0.0%	0.0%	0.0%	4.0%	3.0%	0.0%	2.0%	1.0%	1.0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Donated/contributed and assets funded by finance leases to be allocated to the respective category

Choose name from list - Table A10 Basic service delivery measurement

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Household service targets</b>	1									
<u>Water:</u>										
Piped water inside dwelling					25	25		25	25	25
Piped water inside yard (but not in dwelling)					22 528	22 528		22 528	23 880	25 312
Using public tap (at least min.service level)	2				4 307	4 307		4 307	4 221	3 883
Other water supply (at least min.service level)	4				-	-		-		
Minimum Service Level and Above sub-total		-	-	-	26 860	26 860	-	26 860	28 126	29 221
Using public tap (< min.service level)	3				-	-				
Other water supply (< min.service level)	4				33 288	33 288		33 288	33 288	33 288
No water supply					317	317				
Below Minimum Service Level sub-total		-	-	-	33 605	33 605	-	33 288	33 288	33 288
Total number of households	5	-	-	-	60 465	60 465	-	60 148	61 414	62 509
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)					2 024	2 024				
Flush toilet (with septic tank)										
Chemical toilet										
Pit toilet (ventilated)		3 881		2 406	26 814	26 814		29 814	32 814	35 814
Other toilet provisions (> min.service level)										
Minimum Service Level and Above sub-total		3 881	-	2 406	28 838	28 838	-	29 814	32 814	35 814
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	3 881	-	2 406	28 838	28 838	-	29 814	32 814	35 814
<u>Energy:</u>										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)					53 200	53 200		57 000	57 000	57 000
Minimum Service Level and Above sub-total		-	-	-	53 200	53 200	-	57 000	57 000	57 000
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	53 200	53 200	-	57 000	57 000	57 000
<u>Refuse:</u>										
Removed at least once a week										
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)			5 967		11 100	11 100		13 325	14 071	14 859
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)		5 909	3 884		8 304	8 304		7 348	7 760	8 194
Refuse (removed at least once a week)										
<b>Cost of Free Basic Services provided (R'000)</b>	8									
Water (6 kilolitres per household per month)			194		520	520		520	549	580
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)		295	194		415	415		415	438	463
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		295	388	-	935	935	-	935	987	1 043
<b>Highest level of free service provided</b>										
Property rates (R value threshold)										
Water (kilolitres per household per month)		6	6	6	6	6		6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)		50	50	50	50	50		50	50	50
Refuse (average litres per week)										
<b>Revenue cost of free services provided (R'000)</b>	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water Sanitation										
Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6									
		-	-	-	-	-	-	-	-	-

References

1. Include services provided by another entity; e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service

# Moretele Local Municipality



## ANNEXURE B

### 2015/2016 PROPOSED SCHEDULE OF RATES AND TARRIFS

The proposed tariffs is to be increased to 6% for all services (rounded off to the nearest Rand )inclusive of water related services for the 2015/16 financial year for existing tariffs where applicable and where new tariffs have been applied, the application was done through benchmarking with neighboring municipalities and previous tariffs. No tariff increase for rates. Gym and database were down scaled

#### 1 Refuse Removal

Description	2013/14	2014/15	2015/16
Residential	R 26.50	R 28.00	R 30.00
Business and Government Institution	R 53.00	R 56.00	R 60.00

#### 2. Sewerage

Description	2013/14	2014/15	2015/16
Residential	R 26.50	R 28.00	R 30.00
Business and Government Institution	R 37.00	R 39.00	R 42.00

#### 3. Water provision

##### 3.1 Yard Connection

Description	2013/14	2014/15	2015/16
15mm(Yard Connection) per household	R1300.00 per household	R1370.00 per household	R 1 453.00
20mm(Yard connection) per household	R1400.00 per households	R1470.00 per household	R 1 559.00
25mm(Yard connection) per household	R1500.00 per household	R1580.00 per household	R 1 675.00
40mm(Yard connection) per household	R1650.00 per household	R1730.00 per household	R 1 834.00

##### 3.2 Domestic Consumption (Metered Consumers)

Description	2013/14	2014/15	2015/16
Fixed Monthly Service Charges	R37.10 per month	R39.00 per month	R 41.34
0- 6kl	R 0.00	R 0.00	R 0.00
6.1-45 kl	R5.98 per kiloliter	R6.25 per kiloliter	R 6.63
45.1 and above	R6.73 per kiloliter	R7.00 per kiloliter	R 7.42

##### 3.3 Domestic Consumption (Communal stand pipe)

Description	2013/14	2014/15	2015/16
Fixed Monthly- Flat Rate (unmetered households)	R37.1 per month per household	R39.00 per month per household	R 41.34

##### 3.4 Business and Industrial Consumers

Description	2013/14	2014/15	2015/16
Fixed Monthly Service Charges	R37.10 per month	R39.00 per month	R 41.73
0 - 6kl	R 0.00	R 0.00	R 0.00
6.1 - 45 kl	R5.98 per kiloliter	R6.30 per kl	R 6.68
45.1 and above	R 6.95	R7.25 per kl	R 7.69

##### 3.5 Water delivery to households through water tanker

Description	2013/14	2014/15	2015/16
Funerals	R15.00 per kl	R16 per kl	
Flat rate R 86.00 Plus Kiloliters. (15/16=R92)			R 18.00
Weddings ,Parties and family gathering requests Flat rate R98.00 plus Kiloliters (15/16=R105)	R18.00 per kl	R19 per kl	R 21.00

##### 3.6 Industrial and large consumption that is not included in the Domestic Consumption

Description	2013/14	2014/15	2015/16
0.6 Kiloliters	R 0.00	R 0.00	R 0.00
6.1 kl and above	R 6.56	R 6.90	R 7.31

#### 4. CEMETRY

##### 4.1 Extra Costs on Request

Description	2013/14	2014/15	2015/16
Digging of an adult grave	R 670	R 705	747
Digging of a child grave	R 450	R 470	498
Trimming or brick walling per adult grave	R 890	R 935	991
Trimming or brick walling per child care	R 560	R 590	625

##### 4.2 All request from outside the jurisdiction Area

Description	2013/14	2014/15	2015/16
Adult burial	R 1 590	R 1 670	R 1 771.00
Child burial	R 742	R 780	R 827.00

##### 4.3 Community Halls and Libraries.

Description	2013/14	2014/15	2015/16
Library Fee (joining fee)	R 45.00	R 47.00	R 50.00
Hall Bookings	R 445.00	R 470.00	R 499.00
Stall Rental (Makapanstad)		R 450.00	R 477.00

##### 4.4 Sundry Charges

Description	2013/14	2014/15	2015/16
-------------	---------	---------	---------

Photocopy	R 1.00	R 1.50	R 160.00
Out going Fax per Page	N/A	R 5.00	R 5.50
Print outs	R 1.50	R 2.00	R 2.20
Clearance certificates	R 50.00	R 53.00	R 57.00

#### 4.5 Advertising

Description	2013/14	2014/15	2015/16
Posters and leaflets	R 335.00	R 352.00	R 374.00
Billboards advert per month	R 670.00	R 704.00	R 747.00

NB. No private posters will be allowed to be put up without municipal authorization.

#### 4.6 Registration on Municipality Supplier Database

Description	2013/14	2014/15	2015/16
Local Suppliers	R170.00 per company	R180.00 per company	R 50.00
Suppliers outside the Municipality	R280.00 per company	R295.00 per company	R 150.00

#### 5. Machinery and Equipment Hire

Description	2013/14	2014/15	2015/16
Hiring of TLB per hour	R 465.00	R 490.00	R 520.00
Hiring of Grader per hour	R 465.00	R 490.00	R 520.00
Hiring of smooth roller per hour	R 260.00	R 275.00	R 292.00
Hiring of Low-bed per kilometer	R 21.00	R 22.00	R 24.00
Hiring of tipper truck per kilometer	R 15.00	R 16.00	R 17.00
Hiring of tractors per h/a (FARMING)	R 300.00	R 315.00	R 334.00
Hiring of tractors (Residential)	190	R 200.00	R 212.00

#### 6. Recreational Facilities Hire

R	2013/14	2014/15	2015/16
Hiring of Stadium	R 380.00	R 400.00	R 424.00
Hiring of Park	R500 full day event.	R525 full day event	R 557.00
Gym membership affiliation per month	R 200	R 210.00	R 150.00
Leasing of Municipal property	Market related rental fees and incremental at between 7 - 10% per annum, depending on lease agreement.		

#### 7. Assessment Rates

All rateable properties and improvements shall be rated on an annual base and may be broken down into monthly payments.

Rateable Property	Rates 2014/15	Rates 2015/16	Rebate
Residential	R0.001 in the Rand on Market Value of any land and improvements	R0.001 in the Rand on Market Value of any land and improvements	The first R65000.00 is exempted.
Agricultural Properties including small holdings	R0.001 in the Rand on Market Value of any land and improvements	R0.001 in the Rand on Market Value of any land and improvements	Phasing in period no longer applicable as per MPRA.
State Owned Land (Developed and Undeveloped)	R0.040 in the Rand on Market Value of any land and improvements	R0.040 in the Rand on Market Value of any land and improvements	30% rebate on state owned properties
Government properties	R0.060 in the Rand on Market Value of any land and improvements	R0.060 in the Rand on Market Value of any land and improvements	30% rebate on state owned properties

<b>Mining</b>	R0.050 in the Rand on Market Value of any land and improvement	R0.050 in the Rand on Market Value of any land and improvement	No rebate
<b>Public Service Infrastructures .e.g. Eskom, Telkom ,MTN , Vodacom, Cell-C and telecommunications installations</b>	R0.040 in the Rand on Market Value of any land and improvement	R0.040 in the Rand on Market Value of any land and improvement	No rebate
<b>Business</b>	R0.035 in the Rand on the Market Value of any land and improvement	R0.035 in the Rand on the Market Value of any land and improvement	No rebates
<b>Holiday resorts, Hotels, entertainments centers and shopping centers.</b>	R0.035 in the Rand on the Market Value of any land and improvement	R0.035 in the Rand on the Market Value of any land and improvement	No rebates
<b>Industrial undertaking</b>	R0.050 in the Rand on the Market Value of any land and improvement	R0.050 in the Rand on the Market Value of any land and improvement	No rebates

All ratable land excluding households properties under the Tribal Management whether registered in the name of the Tribe or in the name of State and Parastatal owned institutions like Hospitals ,Schools, Clinics ,Tertiary , Educational Institutions, Administration buildings, magistrate

### **NEW SERVICES**

#### **Proposed Fine Schedule for the Building Control Division**

Contraventions i.t.o National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977), as amended

<b>Section</b>	<b>charge description</b>	<b>proposed fines</b>
Section 4(1)	Erecting building without consent	R100,00 for each day on which accused was engaged in erecting such building
Section 10(1)(a) read together with Section 10(2)	Erecting building or doing earthworks that is objectionable	R100,00 for each day on which accused so failed
Section 10(1)(b) read together with section 10(2)	Erecting building on site subject to flooding or filled with refuse	R100,00 for each day on which accused so failed
Section 12(1) read with section 12(6)	Failure to comply with notice issued in terms of section 12(1)	R100,00 for each day on which accused so contravened
Section 12(2) read with section 12(6)	Failure to notify local authority of dangerous building	R100,00 for each day on which accused so contravened
Section 12(3) read with section 12(6)	Failure to comply with notice issued in terms of section 12(3)	R100,00 for each day on which accused so contravened

Section 12(4) read with section 12(6)	Failure to comply with notice in terms of section 12(4)	R100,00 for each day on which accused so contravened
Section 14(4)	Occupation of a building without occupancy certificate	R2000,00

**Regulations i.t.o National Building Regulations and Building Standards Act, 1977 (Act 103 of 1977)**

<b>Regulations</b>	<b>charge Description</b>	<b>Proposed Fines</b>
Reg. A15(5) of the NBRs	Failure to maintain mechanical equipment	R 2 000.00
Reg. A18(4) of the NBRs	Practicing plumbing without qualification	R 2 000.00
Reg. A18(5) of the NBRs	Unsupervised plumbing work	R 2 000.00
Reg. A22(1) of the NBRs	Failure to notify local authority on commencement of building work	R 2 000.00
Reg. A22(2) of the NBRs	Failure to notify the local authority regarding inspections	R 2 000.00
Reg. A22(3) of the NBRs	Proceeding building work without inspections	R 2 000.00
Reg. A25(1) of the NBRs	Using building for other purposes	R 2 000.00
Reg. A25(2) of the NBRs	Failure to comply with notice regarding illegal use	R 2 000.00
Reg. A25(5) of the NBRs	Deviation from the approved plans	R 2 000.00
Reg. A25(6) read together with Reg. A25(11) of the NBRs	Failure to comply with notice to stop erection of building	R 2 000.00
Reg. A25(10) of the NBRs	Non-compliance with a notice served in terms of Reg.A25(10)	R 2 000.00
Reg. D4(1) read together with Reg. D4(2) of the NBRs	Failure to control access to a swimming pool	R 2 000.00
Reg. E4 of the NBRs	Failure to comply with demolition requirements	R 2 000.00
Reg. F1 of the NBRs	Failure to safeguard the site	R 2 000.00
Reg. F1(4) of the NBRs	Failure to confine the building operations within site boundaries	R 2 000.00
Reg. F6 of the NBRs	Failure to control dust and noise on site	R 2 000.00
Reg. F7 of the NBRs	Failure to comply with notice regarding testing and inspection of work	R 2 000.00
Reg. F8 of the NBRs	Failure to comply with notice regarding excessive waste	R 2 000.00
Reg. F9 of the NBRs	Failure to remove surplus material	R 2 000.00
Reg. F10 of the NBRs	Conditions and use of builders sheds	R 2 000.00
Reg. F11 of the NBRs	Failure to provide adequate sanitary facilities on site	R 2 000.00

Reg. G1 of the NBRs	Precautions for safety and stability of excavation	R 2 000.00
Reg. P1(1) of the NBRs	Failure to provide suitable drainage	R 2 000.00
Reg. P1(2) of the NBRs	Failure to connect to sewer system	R 2 000.00
Reg. P3(1)(a) of the NBRs	Sewage discharged into the storm water drain	R 2 000.00
Reg. P3(1)(b) of the NBRs	Sewage discharged into natural watercourse	R 2 000.00
Reg. P3(1)(c) of the NBRs	Sewage discharged into the street	R 2 000.00
Reg. P3(2) of the NBRs	Storm water entering drainage system	R 2 000.00
Reg. P3(3) of the NBRs	Notice regarding objectionable discharge	R 2 000.00
Reg. P3(4) of the NBRs	Discharging pool water onto other property	R 2 000.00
Reg. P4 of the NBRs	Industrial effluent installation deviates from approved plans	R 2 000.00
Reg. P5(1) and P5(2) of the NBRs	Failure to seal disconnected drainage and/or soil pipes	R 2 000.00
Reg. P5(3) of the NBRs	Failure to notify authority about disconnection or interference with drain	R 2 000.00
Reg. P6(1) of the NBRs	Unauthorized connection or interference with drain	R 2 000.00
Reg. P7(3) of the NBRs	Using drain before inspection and approval	R 2 000.00
Reg. T1(1)(e) of the NBRs	Failure to provide adequate fire protection	R 2 000.00
Reg. T2(1) of the NBRs	Fire extinguisher not SABS specification	R 2 000.00
Reg. T2(1) of the NBRs	Fire extinguisher installation	R 2 000.00
Reg. T2(1) of the NBRs	Fire extinguisher maintenance	R 2 000.00
Reg. T2(1) of the NBRs	Fire extinguisher service	R 2 000.00
Reg. T2(2) of the NBRs	Hindering or preventing escape from a building in case of fire	R 2 000.00

#### **Determination of charges payable to the MORETELE Local Authority with regard to the examination and approval of building plans and related**

##### **Schedule A**

1. The charges for the evaluation and approval of land use applications shall be as follows:

- (a) Rezoning applications: R1325,80
- (b) Consent use application application: R669,70
- (c) Subdivision and consolidation application: R 1325,80
- (d) Township application R 3000,00
- (e) Relaxation of Building line/ Servitude R 250,00
- (f) Site Development Plan R 250.00

##### **9. Other**

For all miscellaneous items, please consult the office of the Municipal Manager. The Schedule of building properties are attached separately.

To note – our offices are open between 7H30 and 16h00 daily, payments can be made at the municipal offices and with Ward Cashiers. Please always request for proof of payment. All municipal accounts are payable on or before the 7<sup>th</sup> of every month,